



MINUTES
CITY COUNCIL / HRA JOINT WORK SESSION
6 P.M., TUESDAY, FEBRUARY 20, 2024
IN THE CITY HALL BOARD ROOM

Mayor Louismet opened the meeting at 6:11 p.m. Councilmembers in attendance included: Kevin Edberg, Steven Engstran, Heidi Hughes, Bill Walsh, and Andrea West. Staff members in attendance included: City Manager Lindy Crawford, Assistant City Manager Rick Juba, City Clerk Caley Longendyke, Community Development Director Jason Lindahl, Housing and Economic Development Coordinator Tracy Shimek, and City Attorney Troy Gilchrist.

1. Liquor Ordinance Discussion

At a work session on March 21, 2023, the Council discussed the topic and directed staff to move forward with drafting an amended liquor ordinance incorporating more descriptive language. Crawford introduced a draft of the proposed ordinance and explained that the goal of the amendments is not to impact currently-operating liquor establishments, but to better outline license conditions. One exception to minimizing impact on businesses is an amendment that would no longer endorse liquor sales after 1:00 a.m. This change would impact four businesses who have active permits to sell intoxicating liquor until 2:00 a.m. (Doc's Landing, White Bear Bar, Rudy's Redeye Grill, and Little Village Pub). The number of public safety calls to some establishments that are open until 2:00 a.m. affirms the need for this amendment. The Council discussed the topic and shared their general support for the amendment.

Staff shared a communication plan to notify businesses of the proposed changes and an opportunity to provide feedback before the ordinance is presented for a first reading. Other discussion items included liquor lounges, definition of food, background checks for 3.2% malt liquor licenses, background checks on owners versus managers, and a timeline for transitioning to the 1 a.m. closing time. The next step is for staff to work with the Police and Community Development departments for their review of the proposed ordinance, and to prepare a letter to send out to liquor establishments.

2. Housing Policy & Program Priorities Discussion

Shimek presented initial recommendations to achieve the council's primary housing goal which is to "Expand housing options to meet the needs of people at all life stages and income levels." Staff discussed several programs to help achieve that goal including incentives, reducing barriers to creative housing, partnering with mission driven developers and/or developing housing on the city's own sites. Potential tools that could be utilized to help support these programs include Local Affordable Housing Aid (LAHA), creation of a local housing trust fund, inclusionary zoning, various public financing options and pursuing support from various other funds through state and county sources.

Staff will schedule a future meeting with the City's financial advisors to discuss various financial and economic development tools available to the city. Staff will also begin exploring creation of a local housing trust fund and report back to the Council. The Council requested additional discussion in the future on the purpose and function of the HRA versus the City Council.

3. Development Priorities Update

Lindahl provided an update on two of the City's development priority sites. Staff has had several conversations and meetings with the preferred developer for the property located at 1755 Highway 96, Ed and Emily Cox. Those conversations have helped define the project's scope and timeline for the Cox's.

As a result, they are now working to create a concept site plan consistent with the City's request for proposal (RFP) that could be submitted for concept plan review this spring. Once submitted, the concept plan would follow the City's concept plan review process. Based on initial feedback, the applicant could then work toward submitting a land use application for formal review and consideration by the City this summer.

That land use application would include a final development concept which would inform the value of the property and future sale negotiations for consideration by the HRA. Staff anticipates negotiations would run concurrent with the land use review process.

Staff also reviewed an appraisal that was provided by Northeast Residence/Hammer for a parcel they own adjacent to the City's property located at 2511 County Road E. Staff was directed to analyze the comparable sales that were provided and continue discussions with Northeast Residence/Hammer on the potential purchase of the parcel in the future.

Adjourned 9:38 PM